

EXHIBIT I

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July 30, 1999

WINE COUNTRY OFFICE
TELEPHONE: (707) 967-4000

VIA FAX AND CERTIFIED MAIL
FAX No. (714) 816-6710

Mr. Mark Tsuki
President & CEO
Bandai America, Inc.
5551 E. Katella Avenue
Cypress, CA 90630

Re: Potential Infringement of the Trademark MACROSS

Dear Mr. Tsuji:

We are writing to you on behalf of our client, Harmony Gold USA, Inc. ("Harmony Gold"), for the purpose of enforcing its rights in connection with the above-referenced title.

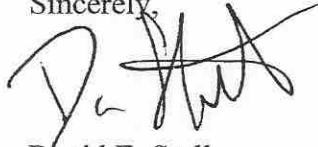
Please be advised that Harmony Gold owns the exclusive right to exploit all the intellectual property, including trademarks and copyrights, associated with the ROBOTECH, MACROSS, MOSPEADA, and THE SOUTHERN CROSS television series. These exclusive rights cover the entire world excluding Japan, and include, but are not limited to, all forms of television, merchandising and ancillary rights. Furthermore, Harmony Gold has filed for protection of the trademark MACROSS in the United States as well as other major territories in the world.

Harmony Gold has learned that Bandai is developing a Sony PlayStation-compatible CD-ROM game entitled MACROSS VFX2, which is due for market release this fall, both within and outside of Japan. Harmony Gold believes that this release would constitute an infringement of Harmony Gold's trademark and copyright interests, and would infringe Harmony Gold's territorial exclusivity outside of Japan.

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I therefore request, on behalf of Harmony Gold, that you please call me immediately at 415/954-4964 so that we can discuss this matter. If we do not hear from you in the next week, we will have no choice but to initiate the appropriate legal steps necessary to protect our client's interests.

Sincerely,

A handwritten signature in black ink, appearing to read "David E. Stoll", with a stylized flourish at the end.

David E. Stoll

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